



House of Representatives

File No. 752

General Assembly

January Session, 2013

(Reprint of File No. 568)

Substitute House Bill No. 5598
As Amended by House Amendment
Schedule "A"

Approved by the Legislative Commissioner
May 6, 2013

AN ACT CONCERNING THE DEPARTMENT OF ADMINISTRATIVE SERVICES AND THE DISPOSITION OF SURPLUS STATE PROPERTY, SHORT TERM EMERGENCY LEASES, THE DEFINITION OF EXECUTIVE SESSION AND DUPLICATIVE STATEMENTS OF FINANCIAL INTEREST.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 4b-21 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2013*):

3 (a) When the General Assembly is not in session, the trustees of any
4 state institution, the State Board of Education or the Commissioner of
5 Correction may, subject to the provisions of section 4b-23, purchase or
6 acquire for the state, through the Commissioner of Administrative
7 Services, any land or interest therein if such action seems advisable to
8 protect the state's interest or to effect a needed economy, and may,
9 subject to the provisions of said section, contract through the
10 Commissioner of Administrative Services for the sale or exchange of
11 any land or interest therein belonging to the state except that The
12 University of Connecticut may purchase or acquire for the state and

13 may dispose of or exchange any land or interest therein directly. When
14 the General Assembly is not in session, the Commissioner of
15 Administrative Services, with the approval of the State Properties
16 Review Board, may give or obtain an option upon any land or interest
17 therein which is not under the control of the trustees of any state
18 institution, the State Board of Education or the Commissioner of
19 Correction when such action seems advisable, and such option shall
20 remain in force until the fifteenth day of August following the next
21 session of the General Assembly.

22 (b) Any state agency, department or institution having custody and
23 control of land, an improvement to land or interest in land, belonging
24 to the state, shall inform the Secretary of the Office of Policy and
25 Management and the municipality where the land is located, in
26 writing, not less than six months before the date when the agency,
27 department or institution anticipates such land, improvement or
28 interest or any part thereof is not needed by the agency, department or
29 institution. Upon receipt of such notification, the secretary, [shall
30 arrange for such agency, department or institution to forthwith
31 transfer custody and control of such land, improvement or interest to]
32 at his or her discretion, shall determine whether the agency,
33 department or institution shall retain custody and control of such land
34 improvement or interest, or whether such responsibility shall be
35 transferred to the Department of Administrative Services, along with
36 [adequate funding for] any available funds specifically related to the
37 personnel and other operating expenses required for the maintenance
38 of such land, improvement or interest, and shall notify all state
39 agencies, departments and institutions that such land, improvement or
40 interest is available. [Within ninety]

41 (c) Not later than thirty days [of] after receipt of such notification
42 from the secretary, [any] the following agencies shall determine and
43 notify the secretary in writing if the land, improvement or interest
44 serves the following needs: (1) The Commissioner of Economic and
45 Community Development, whether it can be used or adapted for
46 economic development or exchanged for property that can be used for

47 economic development, used as an emergency shelter or transitional
48 living facility for homeless persons, or used for the construction,
49 rehabilitation or renovation of housing for persons and families of low
50 and moderate income; (2) the Commissioner of Transportation,
51 whether it can be used for transportation purposes; (3) the
52 Commissioner of Energy and Environmental Protection, whether it can
53 be used for open space purposes or to otherwise support the
54 department's mission; (4) the Commissioner of Agriculture, whether it
55 can be used for farming or agricultural purposes; (5) the Commissioner
56 of Veterans' Affairs, whether it can be used for veterans' housing; (6)
57 the Commissioner of Children and Families, whether it can be used to
58 support the department's mission; (7) the Commissioner of
59 Developmental Services, whether it can be used to support the
60 department's mission; and (8) the Commissioner of Administrative
61 Services, whether it can be used to house state agencies or can be
62 leased. Not later than thirty days after receipt of such notification from
63 the secretary, any state agency, department or institution that is
64 interested in utilizing the land, improvement or interest shall submit a
65 plan to the secretary that sets forth the proposed use for the land,
66 improvement or interest and a budget and timetable for such use. [If
67 the Commissioner of Economic and Community Development
68 determines that such land, improvement or interest can be utilized or
69 adapted for use as an emergency shelter or transitional living facility
70 for homeless persons or can be utilized or exchanged for property
71 which can be utilized for the construction, rehabilitation or renovation
72 of housing for persons and families of low and moderate income, said
73 commissioner may (1) within such ninety-day period, submit to the
74 secretary, in lieu of such plan, a preliminary plan indicating that the
75 land, improvement or interest can be utilized, adapted or exchanged
76 for such housing purposes and stating the type of housing that is
77 planned and (2) within six months after the end of such ninety-day
78 period, submit a comprehensive plan for the development of such
79 housing to the secretary, in a form prescribed by the secretary. If the
80 Commissioner of Economic and Community Development submits
81 preliminary and comprehensive plans to the secretary within such

82 periods, the agency, department or institution having custody and
83 control of the land, improvement or interest shall transfer custody and
84 control to the Commissioner of Economic and Community
85 Development in accordance with such procedures as the secretary may
86 prescribe. If (A) the Commissioner of Economic and Community
87 Development does not submit a preliminary plan to the secretary
88 within such ninety-day period or so submits a preliminary plan but
89 does not submit a comprehensive plan to the secretary within such six-
90 month period, and (B)] If one or more agencies, departments or
91 institutions submit a plan for such land, improvement or interest to the
92 secretary within such [ninety-day] thirty-day period, the secretary
93 shall analyze such agency, department or institution plan or plans and
94 determine whether [(i)] custody and control of the land, improvement
95 or interest shall be transferred to one of such agencies, departments or
96 institutions, in which case the agency, department or institution
97 having custody of the land, improvement or interest shall make such
98 transfer. [, or (ii) the land, improvement or interest shall be treated as
99 surplus.]

100 [(c)] (d) If the secretary determines that such land, improvement or
101 interest or part thereof was purchased or improved with proceeds of
102 tax exempt obligations issued or to be issued by the state, the secretary
103 shall notify the Treasurer. If the secretary determines that such land,
104 improvement, interest or part thereof may properly be treated as
105 surplus, [he] the secretary shall, upon the request of the municipality
106 where the land, improvement or interest is located, hold an
107 informational public meeting in such municipality to inform the public
108 about the process for the disposition of surplus property, to provide a
109 description of the land, improvement or interest at issue, to inform the
110 public of its right to submit written comments under section 4b-47, as
111 amended by this act, and to allow members of the public the
112 opportunity to comment at the meeting. After holding such meeting,
113 the secretary shall notify the Commissioner of Administrative Services
114 [. If the secretary also determines that such land, improvement or
115 interest or part thereof was purchased or improved with proceeds of

116 tax exempt obligations issued or to be issued by the state, he shall also
117 notify the Treasurer. The] of the secretary's determination regarding
118 whether such land, improvement or interest may be treated as surplus.

119 (e) After receiving notification from the secretary that such land,
120 improvement or interest may be treated as surplus, the Commissioner
121 of Administrative Services shall offer to convey such land,
122 improvement or interest to the municipality in which the land,
123 improvement or interest is located, including, but not limited to, by
124 selling, leasing, exchanging or entering into agreements concerning
125 such land, improvement or interest, provided (1) prior to such
126 conveyance, the municipality by vote of its legislative body accepts
127 such conveyance, and (2) a resolution of such municipal action,
128 verified by the clerk of the municipality, is delivered to the
129 Commissioner of Administrative Services not more than one hundred
130 twenty days after receiving notice from the commissioner regarding
131 the proposed conveyance. If the municipality fails to deliver such
132 resolution to the commissioner within such one-hundred-twenty-day
133 period, the municipality shall be deemed to have declined the
134 proposed conveyance, provided the commissioner may extend the
135 one-hundred-twenty-day period deadline by not more than an
136 additional sixty days. The municipality shall waive all rights to
137 purchase the land, improvement, interest or part thereof if the
138 municipality declines or is deemed to have declined the conveyance of
139 such land, improvement, interest or part thereof.

140 (f) If the municipality declines or is deemed to have declined the
141 conveyance of the property, the Commissioner of Administrative
142 Services may sell, exchange or lease, or enter into agreements
143 concerning, such land, improvement, interest or part thereof, after (1)
144 notifying (A) the municipality or municipalities in which such land,
145 improvement or interest is located, (B) the members of the General
146 Assembly representing such municipality or municipalities, (C) the
147 regional planning organization, as defined in section 4-124i, of the
148 region where the land, improvement or interest is located, (D) the
149 Connecticut Economic Resource Center, and [(C)] (E) any potential

150 developer of an incentive housing development, as defined in section
151 8-13m, who has registered with the Commissioner of Economic and
152 Community Development to be notified of any such state surplus land,
153 and (2) obtaining the approval of (A) the Secretary of the Office of
154 Policy and Management, (B) the State Properties Review Board, and
155 (C) the joint standing committees of the General Assembly having
156 cognizance of matters relating to (i) state revenue, and (ii) the purchase
157 and sale of state property and facilities, and (3) if such land,
158 improvement, interest or part thereof was purchased or improved with
159 proceeds of tax-exempt obligations issued or to be issued by the state,
160 obtaining the approval of the Treasurer. The Treasurer may
161 disapprove such a transaction only if the transaction would affect the
162 tax-exempt status of such obligations and could not be modified to
163 maintain such tax-exempt status. If a proposed agreement for such a
164 conveyance has not been submitted to the State Properties Review
165 Board within [three years] one year after the Commissioner of
166 Administrative Services provides such notice to such municipality and
167 such members of the General Assembly, or if the board does not
168 approve the proposed agreement within [five] two years after such
169 notice, the Commissioner of Administrative Services may not convey
170 such land, improvement or interest without again so notifying such
171 municipality and such members of the General Assembly.

172 (g) In the case of a proposed lease of land, an improvement to land
173 or an interest in land, or any part thereof, with a person, firm or
174 corporation in the private sector, for a term of six months or more, the
175 Commissioner of Administrative Services shall comply with such
176 notice requirement by notifying in writing the chief executive officer of
177 the municipality in which the land, improvement or interest is located
178 and the members of the General Assembly representing such
179 municipality, not less than two weeks before seeking the approval of
180 said secretary, board and committees, concerning the proposed lease
181 and the manner in which the lessee proposes to use the land,
182 improvement or interest. [Each agency, department or institution
183 which informs the secretary that any land, improvement or interest in

184 land is not needed shall retain responsibility for its security and
185 maintenance until the Commissioner of Administrative Services
186 receives custody and control of the property, if any.]

187 (h) The Treasurer shall execute and deliver any deed or instrument
188 necessary to convey the title to any property the sale or exchange of
189 which or a contract for the sale or exchange of which is authorized by
190 this section.

191 ~~[(d)]~~ (i) Upon approval of the proposed action of the Commissioner
192 of Administrative Services by said secretary and board, said
193 commissioner shall request approval of such action by the joint
194 standing committees of the General Assembly having cognizance of
195 matters relating to state revenue and the purchase and sale of state
196 property and facilities. Each committee shall have not more than thirty
197 days from the date such request is received to convene a meeting to
198 vote to approve or disapprove such action or to notify the
199 Commissioner of Administrative Services, in writing, that it is waiving
200 its right to convene a meeting. If such request is withdrawn, altered,
201 amended or otherwise changed, said commissioner shall resubmit
202 such request, and each committee shall have not more than thirty days
203 from the date of such resubmittal to convene a meeting to vote to
204 approve or disapprove such action or to notify the Commissioner of
205 Administrative Services, in writing, that it is waiving its right to
206 convene a meeting. If a committee does not act on a request or the
207 resubmittal of a request, as the case may be, within [that time] such
208 thirty-day period, the request shall be deemed to be approved by the
209 committee.

210 ~~[(e) No]~~ (j) Except as provided in subsection (e) of this section, no
211 provision of this section shall be construed to limit, supersede or repeal
212 any other provision of law relating to the powers or duties of any state
213 agency.

214 ~~[(f)]~~ (k) The requirements of subsections (b) to ~~[(d)]~~ (i), inclusive, of
215 this section shall not apply to land which the Commissioner of Energy

216 and Environmental Protection has acquired pursuant to 42 USC 9601 et
217 seq., the federal Comprehensive Environmental Response,
218 Compensation and Liability Act of 1980, as amended, (CERCLA).

219 Sec. 2. Section 3-14b of the general statutes is repealed and the
220 following is substituted in lieu thereof (*Effective July 1, 2013*):

221 Prior to the sale of any parcel of land, or a portion thereof owned by
222 the state, except a transfer or conveyance to the party against whom
223 foreclosure was taken or who conveyed to the state in lieu of
224 foreclosure under the provisions of section 17b-138, or as provided in
225 subsection (g) of this section, the state agency, department or
226 institution responsible for the sale of such land shall first notify, in
227 writing, the chief executive officer or officers of the municipality in
228 which such land is situated and the affected state representative and
229 state senator for such municipality of the state's intention to sell such
230 land, and no agreement to sell such land may be entered into or sale
231 may be made by the state except as follows:

232 (a) Not later than forty-five days after such notice has been so given,
233 such chief executive officer or officers may give written notice to the
234 state of the municipality's desire to purchase such land and shall have
235 the right to purchase the interest in the land which the state has
236 declared its intent to sell, subject to conditions of sale acceptable to the
237 state.

238 (b) If the chief executive officer or officers of the municipality fail to
239 give notice, as provided in subsection (a) of this section, or give notice
240 to the state of the municipality's desire not to purchase such land, such
241 municipality shall have waived its right to purchase the land in
242 accordance with the terms of this section.

243 (c) Not later than sixty days after notice has been given by the
244 municipality of its desire to purchase such land, as provided in
245 subsection (a) of this section, the state acting through the state agency,
246 department or institution shall sell such land to the municipality,
247 provided the state and the municipality agree upon the conditions of

248 sale and the amount to be paid therefor.

249 (d) If the municipality fails to purchase such land not later than
250 sixty days after notice has been given by the municipality of its desire
251 to purchase the land, as provided in subsection (a) of this section, such
252 municipality shall have waived rights to purchase the land in
253 accordance with the terms of this section, subject to the provisions of
254 subsection (e) of this section.

255 (e) Notwithstanding the provisions of subsections (b) and (d) of this
256 section, if the state thereafter proposes to sell such land to any person
257 upon terms different from those offered to the municipality, the state
258 shall first notify the municipality of such proposal, in the manner
259 provided in subsection (a) of this section, and of the terms of such
260 proposed sale, and such municipality shall have the option to purchase
261 such land upon such terms and may thereupon, in the same manner
262 and within the same time limitations as are provided in subsections (a)
263 and (c) of this section, proceed to purchase such land.

264 (f) Notwithstanding the provisions of subsection (d) of this section,
265 the towns of Preston and Norwich shall retain any right provided for
266 by this section with regard to the property known as the Norwich State
267 Hospital property, provided the Commissioner of Administrative
268 Services determines that such towns continue to make good faith
269 efforts to purchase such property and have otherwise complied with
270 the provisions of this section.

271 (g) The provisions of this section shall not apply to the sale or
272 transfer of land, an interest in land or an improvement to land under
273 the provisions of section 4b-21, as amended by this act.

274 Sec. 3. Subsection (c) of section 4b-47 of the general statutes is
275 repealed and the following is substituted in lieu thereof (*Effective July*
276 *1, 2013*):

277 (c) Nothing in this section shall be construed to:

278 (1) Limit the applicability of sections 22a-1a to 22a-1i, inclusive, with
279 respect to the sale or transfer of state land or any interest in state land,
280 except that if an environmental impact evaluation was prepared
281 pursuant to sections 22a-1b and 22a-1c or an environmental statement
282 was prepared for such state land or interest in state land pursuant to
283 any other state or federal law or regulation, as specified in section 22a-
284 1f, such state agency, department or institution shall be exempt from
285 the notice and public comment requirements set forth in subsections
286 (a) and (b) of this section;

287 (2) Affect any purchase and sale agreement entered into between
288 the state and any second party that was in effect prior to October 1,
289 2007, or any subsequent sale, transfer, easement, lease or other such
290 agreement made pursuant to any such purchase and sale agreement;

291 (3) Apply to the conveyance of any parcel of state land or any
292 interest in state land pursuant to an act of the General Assembly;

293 (4) Apply to the sale or transfer of state lands between state
294 agencies;

295 (5) Apply to any easement that is granted to a municipality or a
296 regulated utility or utilities that (A) primarily benefits the state or an
297 agency or institution of the state, (B) is ordered as the result of a state
298 or federal regulatory process or proceeding, or (C) is necessary as a
299 result of the construction or reconstruction of any Department of
300 Transportation highway or facility;

301 (6) Apply to the sale or transfer of state land or an interest in state
302 land that was designated as surplus, pursuant to subsections (b) [and
303 (c)] to (h), inclusive, of section 4b-21, as amended by this act, prior to
304 October 1, 2007, provided the provisions of this section were complied
305 with at the time of such designation;

306 (7) Apply to the transfer of ten acres or less by the Department of
307 Transportation or the Department of Education;

308 (8) Limit state agency or public comments to a particular subject
309 matter area;

310 (9) Limit the publication of any public notifications, comments or
311 reports that are required under this section solely to the Environmental
312 Monitor; or

313 (10) Limit the solicitation of public comment solely to the
314 Environmental Monitor.

315 Sec. 4. Subsection (a) of section 8-37y of the general statutes is
316 repealed and the following is substituted in lieu thereof (*Effective July*
317 *1, 2013*):

318 (a) The Commissioner of Economic and Community Development
319 may, with the approval of the Commissioner of Administrative
320 Services, the Secretary of the Office of Policy and Management and the
321 State Properties Review Board, sell, exchange, lease or enter into
322 agreements concerning any real property, as defined in section 8-39,
323 belonging to the state and transferred to the custody and control of the
324 Department of Economic and Community Development under the
325 provisions of [subsection] subsections (b) and (c) of section 4b-21, as
326 amended by this act. The commissioner shall require, as a condition of
327 any sale, exchange, lease or agreement entered into pursuant to this
328 section, that such real property be used only for an emergency shelter
329 or transitional living facility for homeless persons or for the provision
330 of low and moderate income housing, including, but not limited to, the
331 construction, rehabilitation or renovation of housing for persons and
332 families of low and moderate income, except that such condition, in
333 the discretion of the commissioner, may be subordinated in the case of
334 a subsequent first mortgage or a requirement of a governmental
335 program relating to such real property, and except that in the case of
336 an exchange of real property, the commissioner (1) shall require that
337 the parcel received by the commissioner, as a condition of such
338 exchange, shall be suitable for an emergency shelter or transitional
339 living facility for homeless persons or for the construction,

340 rehabilitation or renovation of housing for persons and families of low
341 and moderate income, and (2) shall release any restrictions required to
342 be imposed by this subsection on the parcel transferred by the
343 commissioner. Prior to any such sale, exchange, lease or agreement, the
344 commissioner shall notify the chief executive officer or officers of the
345 municipality or municipalities in which such real property is located.
346 No such real property may be sold, exchanged or leased by the
347 commissioner under this subsection without the approval of the
348 municipality or municipalities in which the real property is located.

349 Sec. 5. Section 17a-27b of the general statutes is repealed and the
350 following is substituted in lieu thereof (*Effective July 1, 2013*):

351 Notwithstanding any provision of the general statutes or
352 regulations adopted thereunder or any public or special act, the
353 Connecticut Juvenile Training School project, as defined in subsection
354 (k) of section 4b-55, shall be exempt from the provisions of subsections
355 (b) [, (c) and (d)] to (i), inclusive, of section 4b-21, as amended by this
356 act, sections 4b-23, 4b-28, 14-311, 16a-31, 16a-38, 22-6, 22a-6, 22a-12,
357 22a-14 to 22a-20, inclusive, 22a-39, 25-32 and 29-406 and chapter 54.

358 Sec. 6. (NEW) (*Effective from passage*) Notwithstanding the provisions
359 of sections 4b-3 and 4b-23 of the general statutes, the Commissioner of
360 Administrative Services may enter into a lease having a term of not
361 more than twelve months without obtaining the approval of the Office
362 of Policy and Management and the State Properties Review Board,
363 provided the Governor declares (1) an emergency exists because a state
364 facility has been damaged, destroyed or otherwise rendered unusable
365 due to any cause, (2) such emergency would adversely affect public
366 safety or the proper conduct of essential state government operations,
367 and (3) the state has an immediate need to acquire alternative space.

368 Sec. 7. Subdivision (6) of section 1-200 of the general statutes is
369 repealed and the following is substituted in lieu thereof (*Effective from*
370 *passage*):

371 (6) "Executive sessions" means a meeting of a public agency at

372 which the public is excluded for one or more of the following
373 purposes: (A) Discussion concerning the appointment, employment,
374 performance, evaluation, health or dismissal of a public officer or
375 employee, provided that such individual may require that discussion
376 be held at an open meeting; (B) strategy and negotiations with respect
377 to pending claims or pending litigation to which the public agency or a
378 member thereof, because of the member's conduct as a member of such
379 agency, is a party until such litigation or claim has been finally
380 adjudicated or otherwise settled; (C) matters concerning security
381 strategy or the deployment of security personnel, or devices affecting
382 public security; (D) discussion of the selection of a site or the lease, sale
383 or purchase of real estate by the state or a political subdivision of the
384 state when publicity regarding such site, lease, sale, purchase or
385 construction would [cause a likelihood of increased price] adversely
386 impact the price of such site, lease, sale, purchase or construction until
387 such time as all of the property has been acquired or all proceedings or
388 transactions concerning same have been terminated or abandoned; and
389 (E) discussion of any matter which would result in the disclosure of
390 public records or the information contained therein described in
391 subsection (b) of section 1-210.

392 Sec. 8. Section 4b-4 of the general statutes is repealed and the
393 following is substituted in lieu thereof (*Effective from passage*):

394 (a) No nonclerical employee in the unit in the Department of
395 Administrative Services that is responsible for acquiring, leasing and
396 selling real property on behalf of the state shall be directly involved in
397 any enterprise that does business with the state or be directly or
398 indirectly involved in any enterprise concerned with real estate
399 acquisition or development. Each member of the State Properties
400 Review Board [shall file, with the State Properties Review Board and
401 with the Office of State Ethics,] and each such employee of the
402 Department of Administrative Services shall file, [with the Department
403 of Administrative Services and] with the Office of State Ethics, a
404 statement of financial interests pursuant to the provisions of section 1-
405 83.

406 (b) The provisions of sections 1-82, 1-82a and 1-88 shall apply to any
407 alleged violation of this section.

408 Sec. 9. Section 18-31b of the general statutes is repealed and the
409 following is substituted in lieu thereof (*Effective from passage*):

410 (a) Whenever any community correctional center and the land used
411 in connection therewith is no longer needed as a place for penal or
412 correctional purposes, the Community Correctional Center
413 Administrator shall certify to the State Treasurer, the Commissioner of
414 Administrative Services and the Secretary of the Office of Policy and
415 Management, [within] not later than six months thereafter, that such
416 facility and land are not required for penal or correctional purposes. If
417 at any time thereafter the Commissioner of Administrative Services
418 and the Secretary of the Office of Policy and Management and the State
419 Treasurer jointly certify that such property or any portion thereof is
420 surplus and not needed for any other purpose of the state, the
421 [Treasurer] Commissioner of Administrative Services shall forthwith
422 and gratuitously transfer such property to (1) the municipality in
423 which the facility and land are situated, provided the municipality by
424 vote of its legislative body shall first accept such property and a
425 resolution of such action verified by the clerk of the municipality shall
426 be delivered to the [Treasurer] Commissioner of Administrative
427 Services, or (2) the redevelopment agency of the municipality if the
428 land is situated or included in a redevelopment area of the
429 municipality, upon request to the [Treasurer] Commissioner of
430 Administrative Services by such agency, without restriction as to
431 municipal use; if the transfer has been made, the municipal use
432 restriction shall be removed by appropriate release from the
433 [Treasurer] Commissioner of Administrative Services. If such property
434 is not transferred to such municipality or the redevelopment agency
435 thereof, such property shall be [auctioned] sold according to regular
436 procedure. [by the state to the highest bidder.] No separate residential
437 dwelling unit or the land on which it is situated owned by the state
438 and used or formerly used by community correctional center
439 administration personnel of any abandoned community correctional

440 center shall be included in the conveyance of community correctional
 441 center facilities to the municipality, but such residential property may
 442 be sold by the state [to the highest bidder] after certification to the
 443 [Treasurer] Commissioner of Administrative Services by the
 444 Community Correctional Center Administrator that the property is no
 445 longer needed for housing of community correctional center
 446 administration personnel.

447 (b) If such land or any interest therein is transferred by the
 448 municipality or by the redevelopment agency of such municipality,
 449 one-half of the transfer price shall be remitted to the state.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2013</i>	4b-21
Sec. 2	<i>July 1, 2013</i>	3-14b
Sec. 3	<i>July 1, 2013</i>	4b-47(c)
Sec. 4	<i>July 1, 2013</i>	8-37y(a)
Sec. 5	<i>July 1, 2013</i>	17a-27b
Sec. 6	<i>from passage</i>	New section
Sec. 7	<i>from passage</i>	1-200(6)
Sec. 8	<i>from passage</i>	4b-4
Sec. 9	<i>from passage</i>	18-31b

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 14 \$	FY 15 \$
Various State Agencies	Various - Potential Savings	Minimal	Minimal
Dept. of Administrative Services	Various - Potential Cost	See Below	See Below

Municipal Impact: None

Explanation

The bill makes various changes to the state’s surplus property disposition process. Streamlining the disposition process is anticipated to result in minimal savings associated with reduced costs for security and property maintenance.

The bill also allows the Department of Administrative Services (DAS) to enter into leases of up to one year in certain emergency situations, without the Office of Policy and Management or State Properties Review Board approval. This may result in short term increased costs to secure an alternative space. However, this potential impact may be mitigated by minimizing disruption to agency operations.

The bill also makes various changes which have no fiscal impact on the state or municipalities.

House “A” makes several changes to streamline the surplus property disposition process. These changes have no fiscal impact.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sHB 5598 (as amended by House "A")******AN ACT CONCERNING THE DEPARTMENT OF ADMINISTRATIVE SERVICES AND THE DISPOSITION OF SURPLUS STATE PROPERTY, SHORT TERM EMERGENCY LEASES, THE DEFINITION OF EXECUTIVE SESSION AND DUPLICATIVE STATEMENTS OF FINANCIAL INTEREST.*****SUMMARY:**

This bill modifies the process for disposing of surplus state property. Among other things, it:

1. requires state agencies to give the Office of Policy and Management (OPM) secretary and affected municipality at least six months' notice of property that is expected to become surplus;
2. requires various commissioners, within 30 days of receiving notice from OPM, to advise the secretary of the property's potential use for their agencies' purposes;
3. requires the secretary, if the property is declared surplus, to hold a public hearing in the affected municipality upon the municipality's request;
4. gives the affected municipality a one-time opportunity to acquire the property through procedures other than a sale, but removes the municipality's ability to match later offers made by other parties;
5. requires that notice of available property also be given to the Connecticut Economic Resource Center and the applicable regional planning organization;

6. requires that municipalities receive more frequent updates on a property's status; and
7. modifies a separate process for disposing of certain surplus Department of Correction (DOC) property.

Additionally, the bill allows the Department of Administrative Services (DAS) to enter into leases of up to one year in certain emergency situations without OPM or State Properties Review Board (SPRB) approval. It extends to state agencies a Freedom of Information Act (FOIA) provision that allows political subdivisions to hold executive sessions to discuss real estate transactions or site selections.

The bill eliminates a requirement that SPRB members and nonclerical employees in DAS's unit that acquires, leases, and sells real property file a statement of financial interests with SPRB or DAS as appropriate. It maintains the requirement that these members and employees file such a statement with the Office of State Ethics (§ 8).

Lastly, the bill makes technical and conforming changes.

*House Amendment "A" (1) specifies that the public hearing is upon the municipality's request, rather than mandatory; (2) allows DAS to convey, rather than transfer, the property to the municipality; (3) modifies, rather than repeals, the separate DOC process; and (4) makes technical changes.

EFFECTIVE DATE: July 1, 2013, except that the DOC, FOIA, and leasing provisions are effective upon passage.

§§ 1, 2, & 10 — SURPLUS PROPERTY DISPOSITION

Notice of Surplus Property

The bill requires state agencies, departments, and institutions (agencies) to give the OPM secretary written notice at least six months before they anticipate that they will no longer need land, or an improvement to or interest in land (property), in their custody and control. Under current law, agencies do not notify OPM of available

property until they determine it is no longer needed. The bill also requires the agency to notify the municipality in which the property is located at the same time it notifies OPM.

Under current law, upon receiving notice of surplus property, the OPM secretary must arrange for custody and control of the property to be transferred to DAS, along with adequate funding for personnel and other operating expenses required to maintain the property. The bill instead gives the secretary discretion to decide whether to (1) transfer the property to DAS or (2) require the agency to maintain custody and control. It also specifies that the funding includes, at the secretary's discretion, any available funds for maintenance purposes, rather than adequate funding.

By law, the OPM secretary must notify all state agencies of the available property. Currently, an agency that is interested in the property, upon receiving this notice, has 90 days to submit to the secretary a plan for its use. The bill shortens this period to 30 days.

Use by Other State Agencies

Under current law, the Department of Economic and Community Development (DECD) has the right of first refusal for available state property and must be given custody and control of a property if the department:

1. determines that the property can be (a) used for an emergency shelter or a transitional living facility for homeless people or (b) used or exchanged for property that can be used for the construction, rehabilitation, or renovation of housing for low- or moderate-income individuals or families;
2. submits to OPM a preliminary plan for the property within 90 days after receiving notification of the property's availability; and
3. submits to OPM a comprehensive plan for the property within six months after the 90-day period ends.

The bill eliminates this right of first refusal. It instead requires the commissioners of the following agencies to notify the OPM secretary in writing, no later than 30 days after receiving notice from the secretary, if the land, improvement, or interest serves the following needs:

1. DECD, whether, in addition to the above possible uses, it can be used or adapted for economic development or exchanged for property that can be used for economic development;
2. the Department of Transportation, transportation purposes;
3. the Department of Energy and Environmental Protection, open space purposes or to otherwise support the department's mission;
4. the Department of Agriculture, farming or agricultural purposes;
5. the Department of Veterans' Affairs, veterans' housing;
6. the departments of Children and Families and Developmental Services, to support their missions; and
7. DAS, to house state agencies or be leased.

The bill does not require the secretary to give these possible uses preference over plans submitted by other agencies. By law, if one or more agencies submit a plan for the property, the secretary must determine whether to transfer the property to one of those agencies or treat it as surplus.

Conveyance to Affected Municipality

Under current law, if a property is determined to be surplus, the state must first offer to sell it to the municipality in which it is located, subject to conditions of sale acceptable to the state. The bill instead requires that the state offer to convey the property to the municipality (e.g., sell, lease, exchange, or enter into agreements concerning it).

Under the bill, the OPM secretary must, upon the request of the municipality in which the property is located, first hold an informational public meeting in that municipality. The meeting must describe the property and the disposition process, allow public comment, and inform the public of its right to submit written comments to the secretary, including comments on the land's natural or recreational resources.

The bill requires the secretary, after the meeting, to notify the DAS commissioner of his determination regarding whether the property may be treated as surplus. If the secretary determines that it is surplus, the commissioner must then offer to convey the property to the municipality.

Under the bill, the municipality has 120 days from receiving this notification to accept the conveyance, but the DAS commissioner can extend this period by up to 60 days. To accept the property, the municipality must (1) by a vote of its legislative body, accept the conveyance and (2) deliver a resolution of the action, verified by the municipal clerk, to the commissioner. If the municipality does not act within the specified time period, it is deemed to have declined the conveyance.

Under current law, if the municipality declines to purchase surplus property, it retains the right to purchase it later by matching the terms of a proposed sale to another entity, so long as those terms are different from those offered to the municipality. The bill eliminates this right by specifying that the municipality waives all rights to purchase the property if it declines or is deemed to decline the conveyance.

Sale to Other Entities

Under current law, the DAS commissioner may sell, exchange, lease or enter into agreements concerning surplus property after notifying (1) the municipality where it is located, (2) the state legislators who represent the municipality, and (3) potential incentive housing developers who have registered with DECD. The bill requires the

commissioner to also notify the (1) regional planning organization of the region where the property is located and (2) Connecticut Economic Resource Center. By law, regional planning organizations include regional councils of government, regional councils of elected officials, and regional planning agencies.

The bill also requires that municipalities and their state legislators receive more frequent updates on a property's status. Under current law, if a proposed agreement for a surplus property is not (1) submitted to SPRB within three years of notifying the municipality and its state legislators or (2) approved by SPRB within five years of this notice, the municipality and its legislators must be re-notified of its availability. The bill shortens these periods to one year and two years, respectively.

Legislative Approval

By law, the DAS commissioner must submit sales of surplus state property to the legislature's Finance and Government Administration and Elections committees. The committees have 30 days from receipt of an agreement to approve or disapprove it; the agreement is deemed approved if the committees do not act within this time. The bill allows the committees to notify the DAS commissioner, in writing, that they waive their right to convene a meeting concerning the sale.

Surplus DOC Property

The bill modifies a separate process for disposing of surplus community correctional center properties. Under the separate process, if the community correctional center administrator declares that a community correctional center is surplus, the property must first be offered, for no cost, to either the municipality or its redevelopment agency. Under current law, (1) the state treasurer must (a) offer to transfer the property and (b) administer the transfer if the municipality or redevelopment agency accepts it and (2) if the transfer is declined, the property must be auctioned to the highest bidder.

The bill instead requires that (1) the DAS commissioner, rather than

the treasurer, offer the property and administer the transfer if it is accepted and (2) the property be sold according to regular procedure if the transfer is declined, rather than auctioned to the highest bidder.

By law, state-owned residential dwelling units and the land on which they are situated that were used by the abandoned correctional center's administration personnel cannot be included in the transfer to the municipality or redevelopment agency. Under current law, this residential property can be sold by the state to the highest bidder if the community correctional center administrator certifies to the state treasurer that it is no longer needed. The bill (1) requires that the certification instead be made to the DAS commissioner and (2) eliminates the requirement that the sale be to the highest bidder.

§ 6 — EMERGENCY LEASES

By law, most proposed leases by state agencies must be (1) included in the State Facilities Plan, which the OPM secretary develops and (2) approved by SPRB. The bill allows DAS to enter into leases of up to one year, without OPM or SPRB approval, if the governor declares that (1) an emergency exists because a state facility has been damaged, destroyed, or otherwise rendered unusable; (2) the emergency would adversely affect public safety or the proper conduct of essential state government operations; and (3) the state has an immediate need to acquire alternative space.

§ 7 — FOIA

Under FOIA, political subdivisions can meet in executive session to discuss the selection of a site or the lease, sale, or purchase of real estate if publicity surrounding the selection or transaction is likely to cause a price increase. The provision applies until all of the property has been acquired or all proceedings or transactions have been terminated or abandoned.

The bill instead specifies that an executive session is permitted when the publicity would adversely impact the price of the site, lease, sale, purchase, or construction (e.g., an increased price if the agency is

the buyer or a decreased price if the agency is the seller). Additionally, it extends to state agencies the ability to meet in executive session for these reasons.

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable Substitute Change of Reference

Yea 13 Nay 0 (03/04/2013)

Planning and Development Committee

Joint Favorable

Yea 19 Nay 0 (04/01/2013)